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COMPANY DATA:
COMPANY CONFORMED NAME: TYCO INTERNATIONAL GROUP S A
CENTRAL INDEX KEY: 0001060352
STANDARD INDUSTRIAL CLASSIFICATION: GENERAL INDUSTRIAL MACHINERY & EQUIPMENT

FILING VALUES:
FORM TYPE: 424B5
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SEC FILE NUMBER: 333-50855-01
FILM NUMBER: 98643585

BUSINESS ADDRESS:
STREET 1: BOULEVARD ROYAL 26
STREET 2: L-2449 LUXEMBOURG
ZIP: 00000
BUSINESS PHONE: 0113522299

FILER:

COMPANY DATA:
COMPANY CONFORMED NAME: TYCO INTERNATIONAL LTD /BER/
CENTRAL INDEX KEY: 0000833444
STANDARD INDUSTRIAL CLASSIFICATION: GENERAL INDUSTRIAL MACHINERY & EQUIPMENT
IRS NUMBER: 000000000
FISCAL YEAR END: 0930

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BUSINESS ADDRESS:
STREET 1: THE GIBBONS BUILDING
STREET 2: 10 QUEENS STREET SUITE 301
CITY: HAMILTON HM 12 BERMU
STATE: D0
BUSINESS PHONE: 4412928674

MAIL ADDRESS:
STREET 1: C/O TYCO INTERNATIONAL (US) INC
STREET 2: ONE TYCO PARK
CITY: EXETER

STATE: NH
ZIP: 03833

FORMER COMPANY:
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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-50855-01

PROSPECTUS SUPPLEMENT
(To Prospectus dated May 1, 1998)

$2,750,000,000

[LOGO]
TYCO INTERNATIONAL GROUP S.A.

FULLY AND UNCONDITIONALLY GUARANTEED BY TYCO INTERNATIONAL LTD.

$750,000,000 6 1/8% NOTES DUE 2001

$750,000,000 6 3/8% NOTES DUE 2005

$500,000,000 7% NOTES DUE 2028

$750,000,000 6 1/4% DEALER REMARKETABLE SECURITIES(SM) (DRS.(SM)) DUE 2013

The 6 1/8% Notes due 2001 (the "2001 Notes"), the 6 3/8% Notes due 2005 (the "2005 Notes") and the 7% Notes due 2028 (the "2028 Notes") will bear interest from June 9, 1998 at the rate of 6 1/8%, 6 3/8% and 7% per annum, respectively, payable semiannually on June 15 and December 15, commencing December 15, 1998. The 2001 Notes, the 2005 Notes and the 2028 Notes are hereinafter collectively referred to as the "Notes."

The Dealer remarketable securities ("Drs.(SM)") due June 15, 2013 (the "Stated Maturity Date") will bear interest at the rate of 6 1/4% per annum from June 9, 1998 until June 15, 2003 (the "Remarketing Date"). Interest on the Drs. is payable semiannually on June 15 and December 15, commencing December 15, 1998.

The Notes and the Drs. will be unsecured and unsubordinated obligations of Tyco International Group S.A. (the "Company") and will be fully and unconditionally guaranteed on an unsubordinated basis (the "Guarantees" and, together with the Notes and the Drs., the "Securities") by Tyco International Ltd., a Bermuda company and the sole shareholder of the Company ("Tyco"). The Notes and the Drs.

(CONTINUED ON NEXT PAGE)

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS SUPPLEMENT OR THE ACCOMPANYING PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Notes will be offered by the Underwriters on a fixed price basis as set

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No dealer, salesman or any other person has been authorized to give any information or to make any representations other than those contained or incorporated by reference in this Prospectus Supplement and the accompanying Prospectus in connection with the offer contained in this Prospectus Supplement and the accompanying Prospectus, and if given or made, such other information or representations must not be relied upon as having been authorized by the Company, Tyco or any of the Underwriters. This Prospectus Supplement and the accompanying Prospectus do not constitute an offer to sell or the solicitation of an offer to buy by the Company, Tyco or any Underwriter any securities in any jurisdiction to any person to whom it is unlawful for the Company, Tyco or such Underwriter to make such an offer or solicitation in such jurisdiction. Neither the delivery of this Prospectus Supplement and the accompanying Prospectus nor any sale made hereunder shall, under any circumstances, create an implication that there has been no change in the affairs of the Company or Tyco since the date hereof or that the information contained or incorporated by reference herein or therein is correct as of any time subsequent to the date of such information.

Certain statements contained or incorporated by reference in this Prospectus Supplement and the accompanying Prospectus are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All forward-looking statements involve risks and uncertainties. In particular, any statements contained herein and therein regarding the consummation and benefits of recent or future acquisitions, as well as expectations with respect to future sales, operating efficiencies and product expansion, are subject to known and unknown risks, uncertainties and contingencies, many of which are beyond the control of the Company and/or Tyco, which may cause actual results, performance or achievements to differ materially from anticipated results, performance or achievements. Factors that might affect such forward-looking statements include, among other things, overall economic and business conditions, the demand for the goods and services of the Company and Tyco, competitive factors in the industries in which the Company and Tyco compete, changes in government regulations and the timing, impact and other uncertainties of future acquisitions.

S-3

<PAGE>

TABLE OF CONTENTS

<TABLE>
<CAPTION>

<S>

PROSPECTUS SUPPLEMENT

PROSPECTUS

</TABLE>

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

In addition to the documents identified in "Incorporation of Certain Information by Reference" in the accompanying Prospectus, the following documents, which have been filed by Tyco with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), are hereby incorporated by reference in this Prospectus Supplement:

1. Tyco's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 1998.

2. Tyco's Current Report on Form 8-K/A filed on May 13, 1998.

<PAGE>

TYCO INTERNATIONAL LTD.

Tyco International Ltd. ("Tyco") is a diversified manufacturing and service company that, through its subsidiaries, operates in four segments: (i) the design, manufacture and distribution of disposable medical supplies and other specialty products, and the conduct of vehicle auctions and related services; (ii) the design, manufacture, installation and service of fire detection and suppression systems, and the installation, monitoring and maintenance of electronic security systems; (iii) the design, manufacture and distribution of flow control products; and (iv) the design, manufacture and distribution of electrical and electronic components, and the design, manufacture, installation and service of undersea cable communication systems (as described in greater detail under "Business of Tyco").

Tyco's strategy is to be the low-cost, high quality producer and provider in each of its markets. It promotes its leadership position by investing in existing businesses, developing new markets and acquiring complementary businesses and products. Combining the strengths of its existing operations and its business acquisitions, Tyco seeks to enhance shareholder value through increased earnings per share and strong cash flows.

On July 2, 1997, a wholly-owned subsidiary of what was formerly called ADT Limited ("ADT") merged with Tyco International Ltd., a Massachusetts corporation ("Former Tyco"). Upon consummation of the merger, ADT (the continuing public company) changed its name to Tyco International Ltd.

Tyco's registered and principal executive offices are located at The Gibbons Building, 10 Queen Street, Suite 301, Hamilton HM 11, Bermuda, and its telephone number is (441) 292-8674. The executive offices of Tyco's principal United States subsidiary, Tyco International (US) Inc. ("Tyco US"), are located at One Tyco Park, Exeter, New Hampshire 03833, and its telephone number is (603) 778-9700.

THE COMPANY

Tyco International Group S.A., a Luxembourg company (the "Company"), is a direct wholly-owned subsidiary of Tyco. The registered and principal offices of the Company are located at 6, Avenue Emile Reuter, 2nd Floor, L-2420 Luxembourg, and its telephone number is (352) 464-340-1. Through its subsidiaries, the Company owns substantially all of the assets, and engages in substantially all of the businesses, owned or engaged in by Tyco.

<PAGE>

CURRENT DEVELOPMENTS

On May 29, 1998, a subsidiary of Tyco acquired the Wells Fargo Alarm business of Borg-Warner Security Corporation ("Wells Fargo") for $425 million in cash. Wells Fargo, with annual revenues of approximately $250 million, is a full service provider of electronic security services, including intrusion, fire detection and monitoring, as well as closed circuit television and access control.

On May 25, 1998, Tyco entered into a definitive merger agreement for the acquisition of United States Surgical Corporation ("USS") in a stock for stock transaction valued at approximately $3.3 billion. USS, with annual revenues of approximately $1.4 billion, develops, manufactures and markets a line of surgical wound closure products and advanced surgical products to hospitals throughout the world. The acquisition, which will be accounted for as a pooling of interests, will be structured with USS stockholders receiving 0.7606 of a Tyco common share for each share of USS common stock outstanding. According to publicly filed documents, as of March 31, 1998, USS had 76,658,350 shares of common stock outstanding. The consummation of the transaction is contingent upon customary regulatory review, approval by the USS stockholders and certain other conditions. USS is subject to the informational requirements of the Exchange Act and, in accordance therewith, files reports, proxy statements and other information (the "USS Reports") with the Commission. USS is a defendant in several legal actions for alleged patent infringement which are described in the USS Reports. The Company believes that even if, following consummation of Tyco's acquisition of USS, all of such actions were determined adversely to USS, such determinations would not have a material adverse effect on Tyco or the Company, although there can be no assurance in this regard.

Also on May 25, 1998, a subsidiary of Tyco purchased 6.7 million shares of capital stock of CIPE S.A. ("CIPE"), representing approximately 63% of the outstanding shares of CIPE, for approximately $265 million. This subsidiary intends to conduct a simplified tender offer for the remaining outstanding shares of CIPE. CIPE, with annual revenues of approximately $230 million, is a full provider of electronic security services and equipment throughout Europe, with operations in Belgium, the Netherlands, Spain, Germany and Switzerland.

On April 13, 1998, a subsidiary of Tyco acquired Confab, Inc. ("Confab") for approximately $142 million in cash. Confab, with sales in excess of $200 million, is a major manufacturer of adult incontinence and other hygiene products sold to retailers and, to a lesser extent, institutions in the United States.

In March 1998, Tyco sold 25.3 million of its common shares in a public offering at $50.75 per share. The net proceeds from the sale were used to repay indebtedness incurred for previous acquisitions.

Tyco and its subsidiaries review acquisition opportunities in the ordinary course of their business, some of which may be material and some of which are currently under investigation, discussion or negotiation. There can be no assurance that any of such acquisitions will be consummated.

S-6

<PAGE>

USE OF PROCEEDS

The net proceeds from the sale of the Securities offered hereby are estimated to be $2,744.3 million. Such proceeds are expected to be used to repay borrowings under the bank credit agreement and certain uncommitted lines of credit of Tyco US. As of June 2, 1998, there was $2,100.0 million outstanding under the bank credit agreement, bearing interest at a rate per annum of 5.97% and having current maturities of less than 30 days, although such borrowings may be renewed upon maturity for periods through April 1999. Also as of this date, there was $667.0 million outstanding under such uncommitted lines of credit, bearing interest at a weighted average rate per annum of 5.87% and having due dates that generally range from overnight to 90 days. The borrowings under the bank credit agreement and uncommitted lines of credit were primarily incurred in connection with certain business acquisitions in fiscal 1998, including, among others, the Sherwood-Davis & Geck division of American Home Products Corporation, Wells Fargo, Confab and CIPE. Certain affiliates of the Underwriters are lenders under the bank credit agreement and uncommitted lines of credit and will receive a significant portion of the net proceeds. See "Capitalization" and "Underwriting."

RATIO OF EARNINGS TO FIXED CHARGES OF TYCO

The following table sets forth the ratio of earnings to fixed charges for Tyco for the six months ended March 31, 1998, the nine month transitional fiscal year ended September 30, 1997, and the years ended December 31, 1996, 1995, 1994 and 1993.

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<S>	SIX MONTHS ENDED MARCH 31, 1998 <C>	FISCAL Y ENDED SEPTEMBER 1997(3 <C>
Ratio of earnings to fixed charges(1)(2)......................	6.88	

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<S>	1994 <C>	1993 <C>
Ratio of earnings to fixed charges(1)(2)......................	3.33	2.76

</TABLE>

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(1)(2)(3)(4) See corresponding footnotes on page 4 of the accompanying Prospectus.

S-7

<PAGE>

CAPITALIZATION OF TYCO

The following table sets forth the consolidated capitalization of Tyco on an actual basis as of March 31, 1998, on a pro forma basis to give effect to increases in amounts outstanding under the bank credit agreement and uncommitted lines of credit of Tyco US subsequent to March 31, 1998 in connection with the acquisitions of Wells Fargo, Confab and CIPE and the repayment of the sterling denominated bank facility, and as adjusted to give effect to the issuance of the Notes and the Drs. and the application of the net proceeds thereof. See "Use of

Proceeds." This table should be read in conjunction with the audited Consolidated Financial Statements of Tyco and the related notes, incorporated herein by reference. See also "Use of Proceeds."

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	MARCH 31, 1998		
	ACTUAL	PRO FORMA	AS ADJUST
	(IN MILLIONS, EXCEPT SHARE DATA)		
<S>	<C>	<C>	<C>
Loans payable and current portion of long-term debt (1):..	$ 255.0	$ 255.0	$ 255.
Long-term debt (1):			
Bank and acceptance facilities..........................	$ 1.6	$ 1.6	$ 1.
Bank credit agreement (2)...............................	1,500.0	2,100.0	-
Private placement notes(2)..............................	625.0	625.0	625.
Uncommitted lines of credit (2).........................	235.0	617.1	-
8.125% public notes due 1999............................	10.5	10.5	10.
8.25% senior notes due 2000.............................	9.5	9.5	9.
6.5% public notes due 2001..............................	298.9	298.9	298.
Sterling denominated bank facility due 2002............	142.1	--	-
9.25% senior subordinated notes due 2003...............	14.1	14.1	14.
6.375% public notes due 2004............................	104.5	104.5	104.
Zero Coupon Liquid Yield Option Notes due 2010.........	190.0	190.0	190.
9.5% public debentures due 2022.........................	49.0	49.0	49.
8.0% public debentures due 2023.........................	50.0	50.0	50.
6.125% Notes due 2001...................................	--	--	746.
6.375% Notes due 2005...................................	--	--	742.
7.0% Notes due 2028.....................................	--	--	492.
6.25% Dealer remarketable securities due 2013..........	--	--	763.
Other...	169.2	169.2	141.
Total debt..	3,399.4	4,239.4	4,239
Less current portion................................	255.0	255.0	255.
Total long-term debt................................	3,144.4	3,984.4	3,984.
Shareholders' equity:			
Common shares, $0.20 par value, 1,503,750,000 shares authorized; 580,613,217 shares outstanding, net of 4,638,401 shares owned by subsidiaries................	116.1	116.1	116.
Capital in excess:			
Share premium...	3,475.0	3,475.0	3,475.
Contributed surplus, net of deferred compensation of $2.3...	2,414.0	2,414.0	2,414.
Currency translation adjustment..........................	(226.5)	(226.5)	(226.
Accumulated deficit......................................	(375.8)	(375.8)	(375.
Total shareholders' equity..........................	5,402.8	5,402.8	5,402.
Total capitalization.....................................	$ 8,547.2	$ 9,387.2	$ 9,387.

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(1) All of such indebtedness (other than the Notes and the Drs.) are obligations of subsidiaries of the Company.

(2) The Company intends to refinance this indebtedness to become obligations of the Company and not of its subsidiaries within 90 days after the sale of the Securities.

S-8

<PAGE>

SELECTED CONSOLIDATED FINANCIAL DATA OF TYCO

The following table sets forth selected consolidated financial information of Tyco for the six month periods ended March 31, 1998 and March 31, 1997, the nine month transitional fiscal year ended September 30, 1997 and the two years in the period ended December 31, 1996. The selected consolidated financial data reflects the combined results of operations and financial position of Tyco, Former Tyco and Keystone International, Inc. ("Keystone"), which was acquired in 1997, restated for all periods presented pursuant to the pooling of interests method of accounting. The selected consolidated financial data prior to January 1, 1997, does not reflect the results of operations and financial position of INBRAND Corporation ("INBRAND"), which was acquired in 1997 and accounted for under the pooling of interests method of accounting, due to immateriality. The information presented for the six months ended March 31, 1998 and 1997 are unaudited and, in the opinion of management, include all adjustments, consisting of normal recurring adjustments necessary for a fair presentation of such data. The results for the six months ended March 31, 1998 are not necessarily indicative of the results to be expected for the fiscal year ending September 30, 1998. The selected financial information should be read in conjunction with Tyco's Consolidated Financial Statements and related notes and the information contained in "Management's Discussion and Analysis of Financial Condition and Operating Results," incorporated herein by reference.

S-9

<PAGE>

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	SIX MONTHS ENDED MARCH 31,		S
	1998	1997	
	(DOLLARS IN MILLIONS		
<S>	<C>	<C>	<C
CONSOLIDATED STATEMENTS OF OPERATIONS DATA:			
Net sales..	$ 5,539.5	$ 4,564.9	$
Cost of sales..	3,664.3	3,096.4	
Selling, general and administrative expenses........................	1,027.6	927.2	
Merger, restructuring and other non-recurring charges.................	--	246.9	
Charge for the impairment of long-lived assets........................	--	--	
Write off of purchased in-process research and development.............	--	--	
Operating income (loss)(3)(4)(5)..................................	847.6	294.4	
Interest income..	13.7	15.0	
Interest expense...	(95.4)	(94.8)	
Other income less expenses..	--	118.4	
Income (loss) before income taxes and extraordinary items..............	765.9	333.0	

Income taxes	(248.9)	(117.6)	
Income (loss) before extraordinary items	517.0	215.4	
Extraordinary items, net of taxes	(1.2)	(2.6)	
Net income (loss)	515.8	212.8	
Dividends on preference shares	--	(0.1)	
Net income (loss) available to common shareholders	$ 515.8	$ 212.7	$
BASIC EARNINGS PER SHARE(6):			
Income (loss) before extraordinary items	$ .94	$ .44	$
Extraordinary items, net of taxes	--	(.01)	
Net Income (Loss)	.93	.43	
DILUTED EARNINGS PER SHARE(6):			
Income (loss) before extraordinary items	$ .91	$ .43	$
Extraordinary items, net of taxes	--	(.01)	
Net Income (Loss)	.91	.42	
CASH DIVIDENDS PER COMMON SHARE(6)(7)	$ 0.05		
CONSOLIDATED BALANCE SHEET DATA:			
Working Capital	$ 659.6		$
Total assets	13,338.5		
Long-term debt	3,144.4		
Convertible redeemable preference shares	--		
Shareholders' equity	5,402.8		

</TABLE>

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(1) In September 1997, Tyco changed its fiscal year end from December 31 to September 30. Accordingly, the nine-month transition period ended September 30, 1997 ("Fiscal 1997") is presented.

(2) On July 2, 1997, Tyco (formerly ADT) merged with Former Tyco. On August 27, 1997 and August 29, 1997, Tyco merged with INBRAND and Keystone, respectively. These three combinations are collectively referred to as the "Mergers" and are more fully described in Notes 1 and 2 to the Consolidated Financial Statements contained in Tyco's Transition Report on Form 10-K for the nine-month period ended September 30, 1997 (the "Form 10-K"), incorporated herein by reference. Prior to the Mergers, ADT and Keystone had a December 31 fiscal year end and Former Tyco had a June 30 fiscal year end. The historical results have been combined using a December 31 fiscal year end for ADT, Keystone and Former Tyco for the year ended December 31, 1996. For 1995, the results of operations and financial position reflect the combination of ADT and Keystone with a December 31 fiscal year end and Former Tyco with a June 30 fiscal year end. Net sales and net income for Former Tyco for the period July 1, 1995 through December 31, 1995 (which results are not included in the historical combined results) were $2.46 billion and $136.4 million, respectively.

<PAGE>

(3) Operating loss in Fiscal 1997 results includes charges related to merger, restructuring and other non-recurring costs of $917.8 million and impairment of long-lived assets of $148.4 million primarily related to the Mergers and integration of ADT, Former Tyco, Keystone, and INBRAND. See Notes 11 and 15 to the Consolidated Financial Statements contained in the Form 10-K. Fiscal 1997 also includes a charge of $361.0 million for the write-off of purchased in-process research and development related to the acquisition of AT&T's

submarine systems business.

(4) Operating loss in 1996 includes non-recurring charges of $744.7 million related to the adoption of Statement of Financial Accounting Standards No. 121 "Accounting for the Impairment of Long-Lived Assets to be Disposed Of," $237.3 million related principally to the restructuring of ADT's electronic security services business in the United States and United Kingdom and $8.8 million of fees and expenses related to ADT's acquisition of Automated Security (Holdings) PLC, a United Kingdom quoted Company. See Notes 11 and 15 to the Consolidated Financial Statements contained in the Form 10-K.

(5) Operating income in 1995 includes a loss of $65.8 million on the disposal of the European auto auction business and a gain of $31.4 million from the disposal of the European electronic article surveillance business. See Note 3 to the Consolidated Financial Statements contained in the Form 10-K. Operating income also includes non-recurring charges of $97.1 million for restructuring charges at ADT and at Keystone and for the fees and expenses related to the merger of Kendall International, Inc. and Former Tyco in 1994, as well as a charge of $8.2 million relating to the divestiture of certain assets by Keystone. See Notes 11 and 15 to Consolidated Financial Statements contained in the Form 10-K.

(6) Per share amounts for all periods presented have been restated to give effect to the Mergers, including a 0.48133 reverse stock split effected on July 2, 1997, and a two-for-one stock split distributed on October 22, 1997, effected in the form of a stock dividend.

(7) Prior to the merger with Former Tyco, ADT had not declared any dividends on its common shares since April 1991. Former Tyco declared quarterly dividends of $0.025 per share in the first two quarters of Fiscal 1997 and aggregate dividends of $0.10 per share in 1996 and 1995. Keystone declared quarterly dividends of $0.19 per share in each of the three quarters in Fiscal 1997 and aggregate dividends of $0.76 per share in 1996 and 1995. Tyco declared a dividend of $0.025 per share in the third quarter of Fiscal 1997 and each of the first two quarters in fiscal 1998. The payment of dividends by Tyco in the future will be determined by Tyco's Board of Directors and will depend on business conditions, Tyco's financial condition and earnings and other factors.

S-11

<PAGE>

BUSINESS OF TYCO

Tyco International Ltd. ("Tyco") is a diversified manufacturing and service company that, through its subsidiaries, operates in four segments: (i) the design, manufacture and distribution of disposable medical supplies and other specialty products, and the conduct of vehicle auctions and related services; (ii) the design, manufacture, installation and service of fire detection and suppression systems, and the installation, monitoring and maintenance of electronic security systems; (iii) the design, manufacture and distribution of flow control products; and (iv) the design, manufacture and distribution of electrical and electronic components, and the design, manufacture, installation and service of undersea cable communication systems.

Tyco's strategy is to be the low-cost, high quality producer and provider in each of its markets. It promotes its leadership position by investing in existing businesses, developing new markets and acquiring complementary businesses and products. Combining the strengths of its existing operations and its business acquisitions, Tyco seeks to enhance shareholder value through increased earnings per share and strong cash flows.

Tyco reviews acquisition opportunities in the ordinary course of its business, some of which may be material and some of which are currently under

investigation, discussion or negotiation. There can be no assurance that any of such acquisitions will be consummated.

DISPOSABLE AND SPECIALTY PRODUCTS

The principal divisions in the Disposable and Specialty Products group are Kendall International ("Kendall"), ADT Automotive and the Tyco Plastics Group.

Kendall manufactures and distributes medical supplies, disposable medical products, personal absorbent products, adhesive products, tapes and other products. ADT Automotive is the second largest provider of vehicle auction services in the United States. The Tyco Plastics Group manufactures polyethylene films and packaging, industrial and consumer plastic products, molded plastic garment hangers, and laminated and coated products.

KENDALL

Kendall conducts its operations through five business units: Kendall Healthcare, Kendall International, Sherwood-Davis & Geck, Kendall-Polyken and Ludlow Technical Products. In each of its business units, Kendall competes with numerous companies, including a number of larger, well-established companies. Kendall relies on its reputation for quality and dependable service, together with its low-cost manufacturing and innovative products, to compete in its markets.

The Kendall Healthcare business unit manufactures and markets a broad range of wound care, vascular therapy, urological care, incontinence care, anesthetic care and other products to hospitals in the United States and Canada and to alternate site health care customers. Kendall Healthcare is the industry leader in gauze production with its Kerlix-Registered Trademark- and Curity-Registered Trademark- brands. Kendall Healthcare's other core product category consists of its vascular therapy products, principally anti-embolism stockings, marketed under the T.E.D.-Registered Trademark- brand name, sequential pneumatic compression devices sold under the SCD-TM- brand name and a venous plexus foot pump. Kendall Healthcare pioneered the pneumatic compression form of treatment and continues to be the dominant participant in the pneumatic compression and elastic stocking segments of the vascular therapy market.

Kendall Healthcare has become an industry leader in the adult incontinence market serving both the acute care and long-term care markets. It offers a complete line of disposable adult briefs, underpads and other related products. INBRAND also manufactures a broad range of disposable personal absorbent products, including adult incontinence products, feminine hygiene products and baby diapers for the clinical and retail markets in North America and Europe.

<PAGE>

Kendall Healthcare distributes its products through its own sales force and through a network of more than 250 independent distributors. Kendall Healthcare's sales force is divided into three groups: one promoting its vascular therapy products, one promoting its wound care and other health care products and one selling all of its products into the alternate site markets. Most of the distributors in the United States also sell similar products made by Kendall's competitors, a practice common in the industry.

Kendall International is responsible for the manufacturing, marketing, distribution and export of Kendall products worldwide. Kendall International markets directly to hospitals and medical professionals, as well as through independent distributors. Its operations are organized primarily into three geographic regions: Europe, Latin America and the Far East. The range of products marketed is similar to that of Kendall Healthcare, although the mix of product lines varies from country to country.

The Sherwood-Davis & Geck division manufactures and distributes medical and surgical devices, such as catheters, needles and syringes, sutures, thermometers and other specialized disposable medical products. This division distributes its products through its own sales force and independent distributors. The products are distributed around the world with approximately 50% of the sales coming from within the United States.

The Kendall-Polyken division manufactures and markets specialty adhesive products and tapes for industrial applications, including external corrosion protection tape products for oil, gas and water pipelines. Other industrial applications include tapes used in the automotive industry for wire harness wraps, sealing and other purposes, and tapes used in the aerospace and heating, ventilation and air conditioning (HVAC) industries. Kendall-Polyken also produces duct, foil, strapping, packaging and electrical tapes and spray adhesives for industrial and consumer markets worldwide and manufactures cloth and medical tapes for Kendall Healthcare and others. Kendall's Betham division develops and markets pressure sensitive adhesives and coatings, principally for the automotive, medical and specialty markets.

Kendall-Polyken generally markets its pipeline products directly, working with local manufacturers' representatives, international engineering and construction companies and the owners and operators of pipeline transportation facilities. Kendall-Polyken sells its other industrial products either directly to major end users or through diverse distribution channels, depending upon the industry being supplied.

The Ludlow Technical Products division manufactures and sells a variety of disposable medical products, specialized paper and film products. These products include transcutaneous electrical nerve stimulation electrodes and related products which are used primarily in physical therapy and other forms of rehabilitative medicine, medical electrodes for EKGs and similar diagnostic tests, gels which are used with medical electrodes for testing and other monitoring purposes, hydrogel wound care products and neonatal electrodes, diagnostic and monitoring electrodes, defibrillation electrodes, electrotherapy electrodes and cable and lead wires. The division also produces adhesive tapes used for business forms and in printing applications, high quality facsimile paper and recording chart papers for medical and industrial instrumentation.

These products are marketed primarily by the division's own sales force. Competitors vary from small regional firms to larger firms that compete on a national basis. Competition is on the basis of price and quality.

ADT AUTOMOTIVE

ADT Automotive operates a network of 27 large modern auction centers in the United States, providing an organized wholesale marketplace for the sale and purchase of used vehicles. A substantial majority of the vehicles sold at ADT Automotive auctions are passenger cars and light trucks. Other vehicles sold consist of heavy trucks and industrial vehicles. Sales of vehicles from specific market sources are held on a regularly scheduled basis and additional specialized sales are scheduled as necessary. ADT

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Automotive operates almost exclusively in the wholesale marketplace and, in general, the public is not permitted to attend its auctions. It acts solely as an agent in auction transactions and does not purchase vehicles for its own account.

The principal sources of vehicles for sale at auction are consignments by new and used vehicle dealers, vehicle manufacturers, corporate owners of vehicles such as fleet operators, rental companies, leasing companies, banks and other financial institutions, manufacturers' credit subsidiaries and government

agencies. The vehicles consigned by dealers consist of vehicles of all types and ages and include vehicles that have been traded in against new car sales. Vehicles consigned by corporate and financial owners include both repossessed and off-lease vehicles and, as a result, are normally in the range of one to four years old. The principal purchasers of vehicles at auction are new and used vehicle dealers and distributors.

In addition to the sale process, ADT Automotive provides a comprehensive range of vehicle redistribution services including transportation, reconditioning, title transfer assistance, vehicle repossession and fleet management services. Vehicle reconditioning is carried out on-site and principally consists of appearance reconditioning and paint and body work to bring vehicles up to retail ready condition. More extensive body work services including body panel painting and repair of minor collision damage are also carried out. Reconditioning services are also provided for vehicles other than those going through the auction process, principally for fleet owners and insurance companies.

ADT Automotive competes with two other significant auction chains and a large number of independently owned local auctions which are members of the National Auto Auction Association. Competition is based primarily on price in relation to the quality and range of services offered to sellers and buyers of vehicles and ease of accessibility of auction locations.

TYCO PLASTICS GROUP

The Tyco Plastics Group consists of Armin Plastics, Carlisle Plastics, A&E Products and Ludlow Coated Products.

ARMIN

Armin manufactures polyethylene film and packaging products in a wide range of size, gauge, construction strength, stretch capacity, clarity and color. Armin extrudes low density, high density and linear low density polyethylene film from resin purchased in pellet form, incorporating such additives as coloring, slip and anti-block chemicals. Armin's products include plastic supermarket packaging, greenhouse sheeting, shipping covers and liners and a variety of other packaging configurations for the aerospace, agricultural, automotive, construction, cosmetics, electronics, food processing, healthcare, pharmaceutical and shipping industries. Armin also manufactures a number of other polyethylene products such as reusable plastic pallets, transformer pads for electric utilities and a large variety of disposable gloves for the cosmetic, medical, food handling and pharmaceutical industries. Armin generates the majority of its sales through its own internal sales force and services more than 6,000 customers in the United States.

Armin competes with a wide range of manufacturers, including some vertically integrated companies and companies that manufacture polyethylene resins for their own use. Armin competes in many market segments by emphasizing product innovation, specialization and customer service.

CARLISLE

Carlisle is a leading producer of industrial and consumer plastic products, including trash bags, flexible packaging and sheeting. Carlisle supplies plastic trash bags to mass merchants, grocery chains, and institutional customers primarily in North America. Carlisle manufactures Ruffles-Registered Trademark-, a national brand consumer trash bag, for mass merchants and other retail stores. Carlisle also provides heavy duty trash can

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liners for institutional customers, such as food service distributors,

janitorial supply houses, restaurants, hotels and hospitals.

In the consumer trash bag market, Carlisle competes primarily with two nationally advertised brands. Carlisle has historically concentrated on mass merchants as the primary market for its branded Ruffles-Registered Trademark- trash bags, while the other major national brands are marketed primarily through food retailers.

Film-Gard-Registered Trademark-, Carlisle's leading plastic sheeting product, is sold to consumers and professional contractors through do-it-yourself outlets, home improvement centers and hardware stores. A wide range of Film-Gard-Registered Trademark- products are sold for various uses, including painting, renovation, construction, landscaping and agriculture.

A&E PRODUCTS

A&E Products sells molded plastic garment hangers to garment manufacturers, national, regional and local retailers and mass merchants. Garment manufacturers put their products on A&E Products hangers before shipping to retail outlets. National retailers purchase customized hanger designs created and manufactured by A&E Products. Regional or local retailers buy standard A&E Products hanger lines for retail clothing displays, and A&E Products also supplies mass merchants with consumer plastic hangers for sale to the general public.

Carlisle and A&E Products operate in a competitive marketplace where success is dependent upon price, service and quality.

LUDLOW COATED PRODUCTS

Ludlow Coated Products produces protective packaging and other materials made of coated or laminated combinations of paper, polyethylene and foil. Coated packaging materials provide barriers against grease, oil, light, heat, moisture, oxygen and other contaminants. The division produces structural coated and laminated products such as plastic coated kraft, linerboard and bleached boards for rigid urethane insulation panels, automotive components and wallboard panels. Other product applications include packaging for photographic film, frozen foods, health care products, electrical and metallic components, agricultural chemicals, cement and specialty resins.

Ludlow markets its laminated and coated products through its own sales force and through independent manufacturers' representatives. Tyco competes with many large manufacturers of laminated and coated products on the basis of price, service, marketing coverage and custom application engineering. There are various specialized competitors in different markets.

FIRE AND SECURITY SERVICES

Tyco, through its subsidiaries, is the largest company in the world for the design, manufacture, installation and service of fire detection, suppression and sprinkler systems and is the largest provider of electronic security services in North America and the United Kingdom.

FIRE PROTECTION CONTRACTING AND SERVICE

Operating under several trade names including Grinnell, Wormald, Mather & Platt, Total Walther, O'Donnell Griffin and Tyco, Tyco designs, fabricates, installs and services automatic fire sprinkler systems, fire alarm and detection systems, special hazard suppression systems and security systems in buildings and other installations.

Tyco's fire protection contracting and service business in North America operates through a network of offices in the United States, Canada, Mexico, Latin America and Puerto Rico. Tyco also operates

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worldwide through a network of offices in the United Kingdom, continental Europe, Saudi Arabia, United Arab Emirates, Australia, New Zealand, Asia and South America.

Tyco installs fire protection systems in both new and existing structures. Typically, the contracting businesses bid on contracts for fire protection installation which are let by owners, architects, construction engineers and mechanical or general contractors. In recent years, the business of retrofitting existing buildings has grown as a result of legislation mandating the installation of fire protection systems and also as a result of lower insurance premiums available in respect of structures with automatic sprinkler systems.

The majority of the fire suppression systems installed by Tyco are water-based. However, Tyco is also the world's leading provider of custom designed special hazard fire protection systems which incorporate various specialized non-water agents such as foams, dry chemicals and gases. Systems using agents other than water are especially suited to fire protection in certain manufacturing, power generation, petrochemical, offshore oil exploration, transportation, telecommunications, mining, and marine applications. Tyco holds exclusive manufacturing and distribution rights in several regions of the world for INERGEN-Registered Trademark- fire suppression products. INERGEN-Registered Trademark- is an alternative to the ozone depleting agent known as halon and consists of a mixture of three inert gases designed to effectively extinguish fires without polluting the environment or damaging costly equipment.

In Australia, New Zealand and Asia, Tyco also engages in the installation of electrical wire and related electrical equipment in new and existing structures and provides specialized electrical contracting services, including applications for railroad and bridge construction through its O'Donnell Griffin division.

Substantially all of the mechanical components (and, in North America, a high proportion of the pipe) used in the fire protection systems installed by Tyco are manufactured by Tyco. Tyco also has fabrication plants worldwide that cut, thread and weld pipe, which is then shipped with other prefabricated components to job sites for installation. Tyco has developed its own computer-aided design technology that reduces the time required to design systems for specific applications and coordinates the fabrication and delivery of system components.

Tyco's fire protection contracting business employs both non-union and union employees in North America, Europe and Asia-Pacific. Many of the union employees are employed on an hourly basis for particular jobs. In North America, the largest number of union employees is represented by a number of local unions affiliated with the United Association of Plumbers and Pipefitters ("UA"). In April 1994, following lengthy negotiations, contracts between Tyco's Grinnell Corporation ("Grinnell") subsidiary and a number of locals of the UA were not renewed. Employees in those locations, representing 64 per cent of those employees represented by the UA unions, went on strike. Grinnell has continued to operate with former union members who have crossed over and with replacement workers. The labor action has not had, and is not expected to have, any material adverse effect on Tyco's business or results of operations.

Generally, competition in the fire protection business varies by geographic location. In North America, Tyco competes with hundreds of smaller contractors on a regional or local basis for the installation of fire suppression and fire alarm and detection systems. Many of the regional and local competitors employ non-union labor. In Europe, Tyco competes with many regional or local contractors on a country by country basis. In Australia, New Zealand and Asia, Tyco competes with a few large fire protection contractors as well as with many